



Health Services
LOS ANGELES COUNTY

**Los Angeles County
Board of Supervisors**

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February 10, 2010

TO: Each Supervisor

FROM: John F. Schunhoff, Ph.D. 
Interim Director

SUBJECT: **NOTIFICATION OF THE DEPARTMENT OF HEALTH
SERVICES' USE OF DELEGATED AUTHORITY TO
EXECUTE AMENDMENT NO. 2 TO AGREEMENT NO.
703016 WITH MCKESSON HEALTH SOLUTIONS, LLC**

John F. Schunhoff, Ph.D.
Interim Director

Robert G. Splawn, M.D.
Interim Chief Medical Officer

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www.dhs.lacounty.gov

This is to advise your Board that the Department of Health Services is exercising its delegated authority approved on September 8, 2009 (see attached) to execute the subject amendment.

This amendment adds language that allows unannounced site visits by authorized representatives of the County, Federal and State governments including the Department of Managed Health Care, L.A. Care Health Plan, and the National Committee for Quality Assurance. All other terms and conditions remain unchanged.

County Counsel and the Chief Executive Office have reviewed and approved execution of the Amendments as to form.

If you have any questions and need additional information, please let me know.

JFS:CK:ls

Attachment

c: Chief Executive Office
County Counsel
Executive Office, Board of Supervisors

*To improve health
through leadership,
service and education.*



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COUNTY OF LOS ANGELES - COMMUNITY HEALTH PLAN
NURSE ADVICE LINE AND DISEASE/CARE MANAGEMENT
SERVICES AGREEMENT

AMENDMENT NO. 2

THIS AMENDMENT is made and entered into this 1st day of January, 2010

by and between COUNTY OF LOS ANGELES (hereafter
"County"),
and MCKESSON HEALTH SOLUTIONS
LLC
(hereafter "Contractor").

WHEREAS, reference is made to that certain document entitled "NURSE
ADVICE LINE AND DISEASE/CARE MANAGEMENT SERVICES
AGREEMENT," dated November 27, 2007, identified as Agreement No. H-703046
(hereafter "Agreement");

WHEREAS, the Agreement shall be amended under delegated authority
authorized by the Los Angeles County Board of Supervisors on September 8, 2009; and

WHEREAS, the parties wish to amend this Agreement to provide changes set
forth herein; and

WHEREAS, Agreement provides that changes may be made in the form of
written amendment which is formally approved and executed by both parties.

NOW, THEREFORE, the parties agree as follows:

1. This Amendment shall become effective January 1, 2010.

2. Additional Provisions, Paragraph 1, ADMINISTRATION AND MONITORING Sub-Paragraph B, shall be revised to read as follows:

“B. Monitoring: Contractor extends to Director, and to authorized representatives of the County, federal, and State governments (including, but not limited to, the Department of Managed Health Care), L.A. Care Health Plan, and National Committee for Quality Assurance, the right to review and monitor Contractor's personnel and services, to include onsite visits to Contractor's office(s), and to verify compliance with applicable standards and regulations and with the terms of this Agreement. Further, Contractor agrees to extend to Director and to authorized representatives of the County, federal, and State governments (including the Department of Managed Health Care), L.A. Care Health Plan, and National Committee for Quality Assurance, the right to review and monitor Contractor's programs, policies, procedures, and financial and/or other records, and to inspect its facilities, or work areas, for contractual compliance at any reasonable time. All such inspections related to services provided under this Agreement shall be conducted during Contractor's normal business hours in a manner which will not interfere with Contractor's operations. Director shall provide Contractor with at least ten (10) working days prior written notice of any audit/compliance review, unless otherwise waived by Contractor. However, the Director may, without prior notice, conduct inspections of Contractor's office(s) as part of an unannounced inspection.”

3. Paragraph 45, CONTRACTOR'S WARRANTY OF COMPLIANCE WITH COUNTY'S DEFAULTED PROPERTY TAX REDUCTION PROGRAM, shall be added to read as follows:

"45. CONTRACTOR'S WARRANTY OF COMPLIANCE WITH COUNTY'S DEFAULTED PROPERTY TAX REDUCTION PROGRAM

a. Contractor acknowledges that County has established goal of ensuring that all individuals and businesses that benefit financially from County through contract are current in paying their property tax obligations (secured and unsecured roll) in order to mitigate the economic burden otherwise imposed upon County and its taxpayers.

b. Unless Contractor qualifies for an exemption or exclusion, Contractor warrants and certifies that to the best of its knowledge it is now in compliance, and during the term of this contract will maintain compliance, with Los Angeles County Code Chapter 2.206."

4. Paragraph 46, TERMINATION FOR BREACH OF WARRANTY TO MAINTAIN COMPLIANCE WITH COUNTY'S DEFAULTED PROPERTY TAX REDUCTION PROGRAM, shall be added to read as follows:

"46. TERMINATION FOR BREACH OF WARRANTY TO MAINTAIN COMPLIANCE WITH COUNTY'S DEFAULTED PROPERTY TAX REDUCTION PROGRAM

Failure of Contractor to maintain compliance with the requirements set forth in Paragraph 45, Sub-paragraph A. Contractor's Warranty of Compliance with County's Defaulted Property Tax Reduction Program shall constitute

default under this Agreement. Without limiting the rights and remedies available to County under any other provision of this Agreement, failure of Contractor to cure such default within 10 days of notice shall be grounds upon which County may terminate this Agreement and/or pursue debarment of Contractor, pursuant to Los Angeles County Code Chapter 2.206.”

5. Except for the changes set forth hereinabove, Agreement shall not be changed in any respect by this Amendment.

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IN WITNESS WHEREOF, the Board of Supervisors of the County of Los Angeles has caused this Amendment to be subscribed by its Director of Health Services and Contractor has caused this Amendment to be subscribed in its behalf by its duly authorized officers, the day, month, and year first above written.

COUNTY OF LOS ANGELES

By


John F. Schunhoff, Ph.D.
Interim Director of Health Services

MCKESSON HEALTH SOLUTIONS LLC

By


Signature

Peter P. Csapo
CFO & VP of Informatics

Printed Name

Title

(AFFIX CORPORATE SEAL HERE)

APPROVED AS TO FORM
BY THE OFFICE OF THE COUNTY COUNSEL

APPROVED AS TO CONTRACT
ADMINISTRATION:

DEPARTMENT OF HEALTH SERVICES
CONTRACTS AND GRANTS DIVISION